

EXAMINER'S AMENDMENT

1. An examiner's amendment to the record appears below. Should the changes and/or additions be unacceptable to applicant, an amendment may be filed as provided by 37 CFR 1.312. To ensure consideration of such an amendment, it MUST be submitted no later than the payment of the issue fee.

Authorization for this examiner's amendment was given in a telephone interview with Ms. Ariana Woods on November 22, 2010.

The application has been amended as follows:

1. (Currently Amended) An electronic network system ~~adapted~~ configured to generate cost reduction strategies for a target company, the network system comprising:

a computer that is configured to execute:

a cost lever analysis tool that (1) receives financial data inputs regarding the target company, (2) calculates normalized diagnostic information regarding the cost structure of the target company based on the financial data inputs and a β value of the target company, (3) displays the normalized diagnostic information, (4) receives cost levers based on the normalized diagnostic information, and (5) transmits the cost levers;
a cost reduction strategy tool that receives the cost levers, the strategy tool including:

a generation module that generates a cost reduction strategy for one or more of the cost levers;

a linking module that correlates the cost reduction strategy with corresponding ones of the cost levers;

an implementation module that generates implementation information related to implementing the cost reduction strategy; and

an output module that outputs the cost reduction strategy and the implementation information,

~~wherein the cost lever analysis tool and the cost reduction strategy tool are run on at least one processor, and~~

wherein the β value of the target company is determined by (1) identifying comparable businesses that operate in the same field as the target company, (2) determining the β values of the comparable businesses, (3) averaging the β values of the comparable businesses to determine an unlevered β value, (4) estimating an effect of the financing structure of the target company using the unlevered β value, and (5) determining a relevered β value for the target company by adding in the effect of the financing structure.

2. (Previously Presented) The network system according to claim 1, wherein the implementation information includes at least one of case studies, implementation plans, integration implications, and sample benefit and impact forecasts.

3. (Previously Presented) The network system according to claim 2, wherein the implementation information comprises hyperlinked documents.

4. (Previously Presented) The network system according to claim 3, wherein the documents can be cross-linked to each other.

5. (Previously Presented) The network system according to claim 2, wherein a plurality of case studies are correlated with each cost reduction strategy.

6. (Previously Presented) The network system according to claim 5, wherein the implementation information includes case studies derived from more than one industry.

7. (Previously Presented) The network system according to claim 1, wherein the output module generates a cost-reduction strategy template for the target company.

8. (Previously Presented) The network system according to claim 7, wherein the cost reduction strategy template includes the implementation information.

9. (Previously Presented) The network system according to claim 8, wherein the implementation information includes at least one of economic impacts, strategy goal summaries, expected implementation schedules and plans, projected cost considerations, and projected key benefits.

10. (Previously Presented) The network system according to claim 1, wherein the cost lever analysis tool further comprises a calculation module that calculates a total return to shareholders using a calculated return on invested capital, a calculated weighted average cost of capital, a calculated organic growth, and a calculated merger and acquisition growth based on the financial input data.

11. (Previously Presented) The network system according to claim 1, wherein the cost lever analysis tool generates summary reports, the summary reports including - at least one of metrics or diagnostic ratios of the target company.

12. (Previously Presented) The network system according to claim 11, wherein the summary reports include charts or diagrams comparing the metrics or the diagnostic ratios to baseline industry information.

13. (Previously Presented) The network system according to claim 12, wherein the baseline industry information comprises metrics or diagnostic ratios pertaining to industry competitors of the target company.

14. (Previously Presented) The network system according to claim 12, wherein the summary reports include shareholder return graphs, the shareholder return graphs comparing a growth compound annual growth rate to a spread for the target company and industry peers of the target company.

15. (Previously Presented) The network system according to claim 1, wherein at least one of the cost lever analysis tool, the cost reduction strategy tool, and the output module is located on a server electronically accessible by remote users.

16. (Previously Presented) A computer-readable storage medium encoded with instructions which, when executed on a processor, perform a method comprising:

receiving financial data inputs regarding a target company;

calculating normalized diagnostic information regarding the cost structure of the

target company based on the financial data inputs and a β value of the

target company, the β value of the target company being determined by

(1) identifying comparable businesses that operate in the same field as the target company, (2) determining the β values of the comparable

businesses, (3) averaging the β values of the comparable businesses to

determine an unlevered β value, (4) estimating an effect of the financing

structure of the target company using the unlevered β value, and (5)

determining a relevered β value for the target company by adding in the

effect of the financing structure;

displaying the normalized diagnostic information;

receiving cost levers of the target company based on the normalized diagnostic information;

generating a cost reduction strategy for one or more of the cost levers;

correlating the cost reduction strategy with corresponding ones of the cost levers;

generating implementation information related to implementing the cost reduction strategy; and
outputting the cost reduction strategy and the implementation information.

17. (Previously Presented) The computer-readable storage medium according to claim 16, wherein the method further comprises generating a cost reduction strategy template for the target company.

18. (Previously Presented) The computer-readable storage medium according to claim 17, wherein the cost reduction strategy template includes the implementation information.

19. (Previously Presented) The computer-readable storage medium according to claim 18, wherein the implementation information includes at least one of economic impacts, strategy goal summaries, expected implementation schedules and plans, projected cost considerations, and projected key benefits.

20. (Previously Presented) The computer-readable storage medium according to claim 16, wherein the implementation information includes at least one of case studies, implementation plans, integration implications, and sample benefit and impact forecasts.

21. (Previously Presented) The computer-readable storage medium according to claim 20, wherein the implementation information comprises hyperlinked documents.

22. (Previously Presented) The computer-readable storage medium according to claim 21, wherein the documents can be cross-linked to each other.

23. (Previously Presented) The computer-readable storage medium according to claim 20, wherein a plurality of case studies are correlated with the cost reduction strategy.

24. (Previously Presented) The computer-readable storage medium according to claim 23, wherein the implementation information includes case studies derived from more than one industry.

25. (Previously Presented) The computer-readable storage medium according to claim 16, wherein the calculating normalized diagnostic information comprises calculating a total return to shareholders using a calculated return on invested capital, calculating a weighted average cost of capital metric, calculating an organic growth metric, and calculating a merger and acquisition growth metric.

26. (Previously Presented) The computer-readable storage medium according to claim 16, wherein the displaying of the normalized diagnostic information comprises generating summary reports, the summary reports including at least one of metrics or diagnostic ratios of the target company.

27. (Previously Presented) The computer-readable storage medium according to claim 26, wherein the summary reports include charts or diagrams comparing the metrics or the diagnostic ratios to baseline industry information.

28. (Previously Presented) The computer-readable storage medium according to claim 27, wherein the baseline industry information comprises the metrics or the diagnostic ratios pertaining to industry competitors of the target company.

29. (Previously Presented) The computer-readable storage medium according to claim 27, wherein the summary reports include shareholder return graphs, the shareholder return graphs comparing a growth compound annual growth rate to a spread for the target company and industry peers of the target company.

30. (Previously Presented) The computer-readable storage medium according to claim 16, wherein the computer-readable storage medium is located on a network accessible to users to perform the method, and wherein the financial data inputs are received electronically by the network from a remote electronic financial data repository.

31. (Previously Presented) The electronic network system of claim 1, wherein the cost lever analysis tool identifies the cost levers.

32. (Previously Presented) The electronic network system of claim 1, wherein the implementation information constitutes an approach for implementing the cost reduction strategy.

REASONS FOR ALLOWANCE

2. The following is an examiner's statement of reasons for allowance:

The prior art most closely resembling Applicant's claimed invention are as follows: Zarb, Pub. No. 2004/0039619 and Quackenbush et al., Pub. No. 2003/0172014.

Zarb teaches a system and method for analyzing an organization. The method includes allowing a user to select a benchmarking mode to analyze the organization, determine the information needed for the selected benchmarking mode, and provide information regarding the organization determined in accordance with the selected benchmarking organization. Zarb also teaches that information regarding the organization can include information regarding a strategy that may be implemented by the organization, a role associated with the strategy, a process associated with the role, and an asset associated with the process.

However, Zarb does not disclose, teach or suggest the following limitations:

Claim 1:

a cost lever analysis tool that (1) receives financial data inputs regarding the target company, (2) calculates normalized diagnostic information

regarding the cost structure of the target company based on the financial data inputs and a β value of the target company, (3) displays the normalized diagnostic information, (4) receives cost levers based on the normalized diagnostic information, and (5) transmits the cost levers; wherein the β value of the target company is determined by (1) identifying comparable businesses that operate in the same field as the target company, (2) determining the β values of the comparable businesses, (3) averaging the β values of the comparable businesses to determine an unlevered β value, (4) estimating an effect of the financing structure of the target company using the unlevered β value, and (5) determining a relevered β value for the target company by adding in the effect of the financing structure.

Claim 16:

calculating normalized diagnostic information regarding the cost structure of the target company based on the financial data inputs and a β value of the target company, the β value of the target company being determined by (1) identifying comparable businesses that operate in the same field as the target company, (2) determining the β values of the comparable businesses, (3) averaging the β values of the comparable businesses to determine an unlevered β value, (4) estimating an effect of the financing structure of the target company using the unlevered β value, and (5) determining a relevered β value for the target company by adding in the effect of the financing structure;

Quackenbush et al. discloses an online valuation system and method, which provides an end-user with analytic tools that may be used to value a company. The system provides real-time answers to a variety of corporate finance questions, in the form of corporate finance and investment banking analytic tools. The system receives input from a user indicating a type of valuation analysis to perform. For example, a user can value a merger of two companies, a buyer and a target. The system further receives, from both the user and its internal or external network accessible databases or data feeds, information reflecting a financial condition of the buyer and target companies. The system filters the received information by, for example, comparing user inputs and assumptions with information received from the data stores and flagging values that appear to be inconsistent. A user may change the value of the inputs and assumptions as desired. The system creates and runs, using the filtered inputs, a model of the merger.

However, Quackenbush et al. also does not disclose, teach or suggest the following limitations:

Claim 1:

a cost lever analysis tool that (1) receives financial data inputs regarding the target company, (2) calculates normalized diagnostic information regarding the cost structure of the target company based on the financial data inputs and a β value of the target company, (3) displays the normalized diagnostic information, (4) receives cost levers based on the normalized diagnostic information, and (5) transmits the cost levers;

wherein the β value of the target company is determined by (1) identifying comparable businesses that operate in the same field as the target company, (2) determining the β values of the comparable businesses, (3) averaging the β values of the comparable businesses to determine an unlevered β value, (4) estimating an effect of the financing structure of the target company using the unlevered β value, and (5) determining a relevered β value for the target company by adding in the effect of the financing structure.

Claim 16:

calculating normalized diagnostic information regarding the cost structure of the target company based on the financial data inputs and a β value of the target company, the β value of the target company being determined by (1) identifying comparable businesses that operate in the same field as the target company, (2) determining the β values of the comparable businesses, (3) averaging the β values of the comparable businesses to determine an unlevered β value, (4) estimating an effect of the financing structure of the target company using the unlevered β value, and (5) determining a relevered β value for the target company by adding in the effect of the financing structure;

Allowable Subject Matter

3. Claims 1-32 are allowed.

Any comments considered necessary by applicant must be submitted no later than the payment of the issue fee and, to avoid processing delays, should preferably accompany the issue fee. Such submissions should be clearly labeled "Comments on Statement of Reasons for Allowance."

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to GREGORY JOHNSON whose telephone number is (571)272-2025. The examiner can normally be reached on Monday - Friday, 8:30AM - 5:00PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, ALEXANDER KALINOWSKI can be reached on (571) 272-6771. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

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